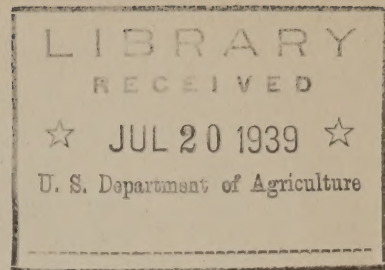


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UNITED STATES DEPARTMENT OF AGRICULTURE
AGRICULTURAL ADJUSTMENT ADMINISTRATION

NATIONAL CONFERENCE OF VEGETABLE GROWERS

WASHINGTON, D.C. -- JULY 6-7, 1939



The primary purpose of the conference was to secure recommendations from the grower representatives relative to those aspects of the 1940 Agricultural Conservation Program that affect the vegetable industry. As a basis for determining the recommendations of the conference, the representatives from each of the five regions prepared a regional committee report which was then combined into a joint committee report for the consideration of the conference. The recommendations of the conference, which were adopted by the representatives by a vote of 29 affirmative and 3 negative, are as follows:

The National Vegetable Conference agrees that:

1. No more expansion in vegetable acreage is needed or justified.
2. Any successful vegetable program must be national in scope.
3. The 1939 Agricultural Conservation Program applied to vegetables should be continued for 1940.
4. As a rule no vegetable allotments should be made of less than 3 acres, but exception may be made for reducing vegetable allotments below 3 acres in areas upon request of the State Committee and approval by the Regional Director.
5. The perennial crops (artichokes, rhubarb, asparagus, and nint) should be excluded from the vegetable classification and be placed in the same classification as orchards, in areas where requested by the State Committee and approved by the Regional Director.

In order to clarify the 1939 Program the conference further agrees that:

6. Any county having more than 100 acres of commercial vegetables shall be considered a vegetable county in 1940.
7. The payment on the vegetable allotment should not be made on more than the allotted acreage, or 125 percent of the planted acreage, whichever is lower.
8. The present payment rate for the vegetable acreage allotment is too low. The minimum rate of payment of \$1.50 per acre on the acreage allotment should be adjusted upward for low participation. All money available to vegetable producers should be paid within reasonable limits, to participating producers.

9. Provision should be made for a vegetable year to run from September 1, to August 30 in States or portions of States where recommended by the State Committee and approved by the Regional Director.
10. Provisions of the 1940 Vegetable Program should be announced not later than August 10 and allotments for vegetables should be gotten out ahead of planting dates.
11. Since no reduction in vegetable acreage is requested or seems justified in the interest of the National Welfare, and since vegetable producers are in an unfavorable position with respect to the division of funds under the Soil Conservation and Domestic Allotment Act, as Amended, we therefore request the Secretary of Agriculture to supplement the funds available for payments to vegetable producers under the present program by adding at least an equivalent amount from Section 32 funds as provided in the provisions cited on P. 7537 of the Congressional Record of May 10, 1939.
12. Watermelons should be excluded from the commercial vegetable classification and placed in the general soil depleting classification. (This recommendation was approved by the conference by a vote of 20 affirmative and 4 negative.)
13. All vegetables grown for processing should be classified as commercial vegetables and included in the program. (This recommendation was approved by the conference by a vote of 19 affirmative and 5 negative.)

The conference approved inclusion of the following as minority reports:

1. That vegetable acreage allotments, together with special vegetable payments and deductions, should be available for areas where they can be applied effectively, but they should not be forced on vegetable producers in those states where they have proved to be ineffective and impracticable.
2. The 3 acre vegetable exemption should be reduced to 1 acre.

The following were selected by representatives from each of the regions to present the above report to the National Conference on the 1940 Agricultural Conservation Program on July 10, 1939:

Arthur L. Smith	North Central Region
C. O. Hooper	Western Region
Jos. Skeen	Western Region
J. L. Lotterhos	Southern Region
J. D. Ward	Southern Region
Jack Thornborrow	Northeast Region
Roy A. Porter	Northeast Region
Porter Hardy	East Central Region

The conference unanimously recommended that the following supplementary report be referred to the Department of Agriculture for consideration and appropriate action:

Recognizing that all farmers need to increase their knowledge of the science, the economics and the practices of distribution, believing that such enlarged knowledge will dispel some of the problems confronting us, and believing emphasis on these matters should equal that now put on the science, economics and practices of producing vegetable and other farm crops, we recommend that -

1. The proper agencies in the Department of Agriculture broaden the collection of facts on distribution and marketing fruits and vegetables and disseminate this information to farmers, using in their educational endeavor the Extension Service, Cooperative Associations, General Farm Organizations and other appropriate agencies as channels for its transmittal.
2. As speedily as possible the Market News Service reports include information on weather, conditions of crops and on probable shipments for at least one week in advance.
3. Government and Grower controlled facilities in terminal markets should be developed for the proper handling of perishable crops.
4. Increased emphasis be put on cooperative marketing, thereby reducing grower dependence on commission and consignment selling and enabling grower control to follow the product through to retailer and consumer.
5. Reciprocal trade agreements be readjusted to protect the domestic market for American growers and that future reciprocal agreements include this principle.
6. Every facility of the Department of Agriculture and grower organizations be used to study the immediate and longtime effect of marketing agreement programs and encourage their use, when decided by growers that they will be constructively beneficial.

7. Thought be given to proper types of programs best adapted to fruits and vegetables grown for processing, including canning and freezing.
8. The F.S.C.C. be requested to adopt the practice of paying a price that will sustain the market at a fair and reasonable level when it buys surplus commodities.
9. Growers educate themselves to the value of sending into fresh market channels only fruits and vegetables of standardized quality and adopt such practices.
10. Further studies be made of the Stamp Plan for removal of surplus commodities and if the results prove to be satisfactory that the plan be extended as rapidly as possible.

The five regional committee reports from which the joint report approved by the conference was prepared, together with a list of conference representatives follow.

SOUTHERN REGION COMMITTEE REPORT

We recommend the present program for vegetables be continued for 1940.

As a basis for non-designation of vegetable counties an additional qualification be added whereby in any State where commercial vegetable acreage in 1940 will not be increased that there be no designated vegetable counties in such State provided the State committee so recommends.

We suggest consideration of the following modifications for the year 1940:

1. Consideration be given to a reduction of 10 percent in acreage and an increased rate of payment to cover the sacrifice involved.
2. Reduce the 3-acre vegetable exemption to 1 acre.
3. That the present payment rate for the vegetable acreage allotment is too low. That the minimum rate of payment of \$1.50 per acre on the acreage allotment be adjusted upward for low participation but not to exceed \$25.00 per acre. We believe that all of the money available to vegetable growers should be paid, within reasonable limits, to participating producers.
4. When vegetable prices fall below 75 percent of parity that the Surplus Commodities Corporation purchase enough of said commodity to restore prices to this point for merchantable vegetables. That it be understood a part of the increased agricultural appropriation was intended to give vegetable growers increased assistance from this program.
5. That provisions of the 1940 vegetable program be announced not later than August 10 and that allotments for vegetables be gotten out ahead of planting dates.
6. That a study be made of crop insurance for vegetables.
7. Recommend provision be made for a vegetable year to run from September 1 to August 30 in States or portions of States where recommended by the State committee and approved by the regional director.
8. That consideration be given to taking watermelons out of the vegetable classification and include them in the general classification.

Presented by

H. G. Clayton.

EAST CENTRAL REGION COMMITTEE REPORT

The East Central Region recommends:

1. That commercial allotments for both vegetables and potatoes be continued as for 1939.
2. That vegetable allotments for 1940 be determined in the same manner as for 1939.
3. That watermelons be eliminated from the vegetable classification and be placed in general.
4. That no commercial vegetable allotment of less than three acres be established for any farm.
5. That acreages of non-commercial counties be studied each year with a view to determining whether any such county has sufficient acreage for a trend of production which would justify its being classified as commercial.
6. That this conference take definite steps toward securing an amendment to the formula in the Act with a view to providing for vegetables on equitable proportion of available funds.

Presented by
Porter Hardy, Jr.

NORTH CENTRAL REGION COMMITTEE REPORT

1. Designate commercial vegetables as a basic commodity.
 - a. Make vegetable program applicable to all counties in United States.
 - b. Establish allotments for all farms.
 - c. Maintain \$20.00 penalty.
2. Maintain \$.70 soil-building payment.
3. Maintain a \$1.50 conservation payment with respect to commercial vegetables.

NORTHEAST REGION COMMITTEE REPORT

The Northeast Division unanimously approves a uniform national vegetable program embodying the following recommendations:

1. A continuance of the present program which provides for a stabilization of vegetable acreage.
2. The inclusion of all vegetable crops which are processed on the same basis as those which go to market as fresh vegetables.
3. The keeping of the 3-acre exemption as at present.

The Northeast Division suggests a further study of participation as related to rates of payment so that those payments may be more nearly on a parity with those in other fields of agriculture.

Presented by
H. F. Tompson.

WESTERN REGION COMMITTEE REPORT

The vegetable growers of the Western Region stand ready to cooperate with the vegetable growers of the other regions in any sound workable program which has as its objective the protection and improvement of the economic position of vegetable producers.

In formulating a sound workable program for vegetables there are certain basic facts that must be recognized. In the first place, it must be recognized that the several agricultural commodities produced in the United States vary widely in their production and marketing problems, and the tools employed in meeting the problems of the several commodities must vary accordingly. Tools which are effective for one commodity may be largely ineffective for another. In recognition of this fact the Federal government has provided a variety of tools or approaches that may be employed in meeting the widely diversified problems of agriculture. These tools include among others:

1. Acreage allotments and payments,
2. Soil-building practices and payments,
3. Tariffs,
4. Marketing quotas,
5. Marketing agreements,
6. Marketing orders,
7. Commodity loans,
8. Cooperative marketing,
9. Market news service,
10. Development of new uses by means of research and subsidies,
11. Relief distribution,
12. Export subsidies, and
13. The stamp plan.

It is not to be expected that all of these tools will be employed on each commodity. Furthermore, the fact that some of these tools are being used with some degree of success on a group of commodities having one type of production and marketing problems does not necessarily mean that the same tools should be applied to another group of commodities having an entirely different type of production and marketing problems.

This may be illustrated by comparing wheat and cotton, on the one hand, with vegetables on the other. In the case of both wheat and cotton there is a relatively high degree of stability from year to year in the area of production and in the acreages grown on individual farms; both products can be stored for long periods and there is no necessary correlation between the amount produced and the amount consumed in any given year; both products are confronted by a downward trend in consumption largely because of dwindling export markets; both products are dependent, in part, on export markets, and low world prices of these products tend to be reflected in low domestic prices. Both products have been adversely affected by tariffs and international trade policies. In the case of vegetables, the areas of production and the acreages on individual farms shift rapidly from year to year; they are highly perishable; their consumption trend is upward; the level of prices depends to a large extent on the level of domestic consumer incomes; and the timing and routing of shipments, and quality and packaging of the product, and sales promotion in many cases, determine the income of growers.

In the second place, it must be recognized that the production and marketing problems with respect to vegetables vary widely among the several producing areas in the United States, and the program adopted for vegetables should be varied accordingly. In many parts of the Western States we are confronted with high freight rates, rapid shifts in areas of production, wide fluctuations in the acreage of vegetables on individual farms as a result of both rotation of crops and rotation of farm operators.

Third, it must be recognized that the amount of funds available for vegetables under the Soil Conservation and Domestic Allotment Act is entirely too small to make possible an acreage adjustment program which will be attractive to vegetable growers generally.

Fourth, it is recognized that there are serious administrative difficulties involved in applying a vegetable acreage allotment program throughout the United States, and we doubt that such a program would be adopted by the general program conference to be held next week even if it were recommended by this conference.

Fifth, experience in connection with the 1939 program indicates that vegetable acreage allotments, together with the rates of payment and deduction applicable in 1939 are almost totally ineffective in the Western States in securing an adjustment or stabilization of vegetable acreage. Producers who wished to increase their acreage ignored their allotments and the conservation program and the producers who qualified for payments did so largely by doing what they would have done anyway. On the whole, the vegetable acreage allotments were a source of irritation and ridicule and probably tended to decrease the popularity and effectiveness of the Agricultural Conservation Program. Furthermore, we have observed very little tendency on the part of cotton and

wheat producers in the Western States to shift to vegetables as a result of their participation in the conservation program.

In view of the foregoing facts, we have reached the following conclusions:

1. The solution of the basic problems of vegetable producers lies largely in the improvement of marketing rather than in acreage control.

2. Vegetable acreage allotments may be a worthwhile tool to use in conjunction with other available tools in some vegetable areas, but if the industry as a whole places chief reliance on this device we will be misled and disappointed.

3. The industry should utilize all of the tools and devices available to it for improving its economic position.

On the basis of these facts and conclusions, we submit the following recommendations:

1. That vegetable acreage allotments, together with special vegetable payments and deductions, should be available for areas where they can be applied effectively, but they should not be forced on vegetable producers in the Western States where they have proved to be ineffective and impracticable.

2. Where vegetable allotments are not in effect, vegetables would be classified as general soil-depleting crops and would be subject to the same payments and deductions as other general crops. In addition, a vegetable allowance of \$1.50 per acre of the average acreage in vegetables in 1938 and 1939 should be added to the soil-building allowance to be earned by carrying out soil-building practices.

3. A minimum soil-building allowance of \$20.00 should be provided for small farms for which no allotment payments are available.

4. It is recommended that the definition of commercial vegetables be revised so as to include sweet corn and peas for canning or freezing and so as to exclude perennial plantings such as asparagus, rhubarb, globe artichokes, and mint.

5. Asparagus, rhubarb, globe artichokes, and mint should be treated the same as commercial orchards under the program.

6. For small farms the application of manure on commercial vegetable and orchard land should be allowed as a soil-building practice at a rate of 2 tons per unit, the maximum payment for this practice to be limited to \$30.00.

7. The potato acreage allotment program should be continued on its present basis.

8. Recognizing that all farmers need to increase their knowledge of the science, the economics and the practices of distribution, believing that such

enlarged knowledge will dispel some of the problems confronting us, and believing emphasis on these matters should equal that now put on the science, economics, and practices of producing vegetable and other farm crops, we recommend

(a) that the proper agencies in the Department of Agriculture broaden the collection of facts on distribution and marketing fruits and vegetables and disseminate this information to farmers, using in their educational endeavor the Extension Service, Cooperative Associations, General farm organizations as channels for its transmittal.

(b) That as speedily as possible the Market News Service reports include information on weather, conditions of crops and on probable shipments for at least a week in advance.

(c) That development of government and grower controlled facilities in terminal markets for the proper handling of perishable crops.

(d) That increased emphasis be put on cooperative marketing, thereby reducing grower dependence on commission and consignment selling and enabling grower control to follow the product through to retailer and consumer.

(e) That reciprocal trade agreements be readjusted to protect the domestic market for American growers, and that future reciprocal agreements include this principle.

(f) That every facility of the Department of Agriculture and grower organizations be used to study the immediate and long-time effect of marketing agreement programs and encourage their use, when decided by growers they will be constructively beneficial.

(g) That we give thought to proper types of programs best adapted to fruits and vegetables grown for processing, including canning and freezing.

(h) That the Surplus Commodity Corporation be requested to adopt the practice of paying a price that will sustain the market at a fair and reasonable level when it buys surplus commodities.

(i) That growers educate themselves to the value of sending into fresh market channels only fruits and vegetables of standardized quality and adopt such practices.

Presented by
O. D. Miller.

DELEGATES TO NATIONAL VEGETABLE CONFERENCE
Washington, D. C. July 6-7, 1939

WESTERN REGION

O. D. Miller, Phoenix, Arizona.
W. B. McKay, Troutdale, Oregon
Joseph Skeen, Warren, Utah.
C. O. Hooper, Calipatria, California.
L. W. Wing, Salinas, California
W. M. Case, Ft. Collins, Colorado
John A. Williams, Pueblo, Colorado
H. J. Stelling, Puyallup, Washington

NORTH CENTRAL REGION

Harry W. Day, Carbondale, Illinois
Harry Hohlt, Indianapolis, Indiana.
C. V. Washburn, Paw Paw, Michigan.
Ward K. Cady, Decatur, Michigan.
Arthur L. Smith, Columbus, Ohio
Fred Bollinger, Indianapolis, Indiana

EAST CENTRAL REGION

E. Y. Floyd, Raleigh, North Carolina
Porter Hardy, Churchland, Virginia.
Harley G. Hastings, Bethel, Delaware
J. Ridgeley Todd, Sparrows Point, Maryland
Carl J. Kramer, Louisville, Kentucky.
Geo. W. Ball, Newport, North Carolina.

SOUTHERN REGION

J. L. Lotterhos, Crystal Springs, Mississippi
E. E. Clower, Crystal Springs, Mississippi
J. D. Ward, San Benito, Texas
J. H. Long, Carrizo Springs, Texas
F. Emory Sharp, Brandenton, Florida
R. B. Chapman, Sanford, Florida
H. G. Clayton, Gainesville, Florida
W. A. Campbell, Sheldon, South Carolina
B. F. Vance, College Station, Texas

NORTHEAST REGION

Chas. A. Thompson, New Brunswick, New Jersey.
Roy A. Porter, Elba, New York
John Wickham, Cutchogue, Long Island, New York.
Raymond W. Wenker, Bustleton, Pennsylvania
Jack W. H. Thornborrow, Millville, New Jersey
Kenneth Roberts, Bridgeton, New Jersey
Chas. A. Collins, Moorestown, New Jersey
Robert H. Boothby, Livermore Falls, Maine
Geo. M. Putnam, Concord, New Hampshire (N.H. Farm Bureau)
Donald Manchester, Bristol, Connecticut (Conn. Veg. Growers Assn.)
Harold F. Tompson, Seekonk, Massachusetts
A. C. Thompson, Morrisville, Pennsylvania.
Frank W. Hussey, Presque Isle, Maine.

